

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPEC SUB. REPORT/abd.

970807 location abandoned eff 8.6.97

DATE FILED DECEMBER 13, 1995

LAND: FEE & PATENTED STATE LEASE NO. ML-40521

PUBLIC LEASE NO.

INDIAN

DRILLING APPROVED JULY 15, 1996

SPUDDED IN:

COMPLETED: 8.6.97 LA PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: August 6, 1997 LA'D

FIELD: DRUNKARDS WASH

UNIT:

COUNTY: CARBON

WELL NO. UTAH 30-125

API NO. 43-007-30304

LOCATION 348 FSL FT. FROM (N) (S) LINE. 1752 FEL

FT. FROM (E) (W) LINE. SW SE

1/4 - 1/4 SEC. 30

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

14S

10E

30

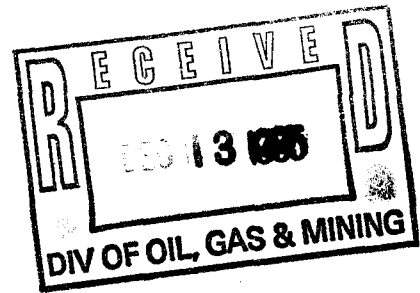
RIVER GAS CORP.



RIVER GAS CORPORATION

511 Energy Center Blvd.
Northport, Alabama 35476
Phone (205) 759-3282
Fax (205) 759-3188 (Accounting)
Fax (205) 758-5309 (Corporate)

December 8, 1995



Mr. Michael Hebertson
Utah Board of Oil, Gas, and Mining
Suite 350, 3 Triad Center
355 West North Temple
Salt Lake City, Utah 84180-1203

RE: Application for Permit to Drill -
Utah 30-125, SW 1/4 of SE 1/4 of Sec. 30, T14S, R10E
S.L.B. & M., Carbon County, Utah

Dear Mr. Hebertson:

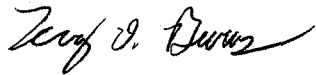
Enclosed is an original and one copy of an "Application for Permit to Drill" for the well named above. Attached to the APD is the following information, as prepared by Powers Elevation Co., Inc:

- Exhibit "A": - Copy of survey plat of proposed well site
- Exhibit "B": - Drilling Program
- Exhibit "C": - B.O.P. Diagram
- Exhibit "D": - Surface Use Plan
- Exhibit "E": - Proposed Location/Access
- Exhibit "F": - Typical Road X-Section
- Exhibit "G": - Location Layout
- Exhibit "H": - Well Site Layout
- Exhibit "I": - Evidence of Bond

Also, please accept this letter as our request that all information regarding this permit be kept confidential, if said information is eligible for such consideration. This request is made in accordance with State of Utah Oil and Gas rule # R649-2-11.

Thank you for your assistance. Please feel free to contact me if you have questions.

Sincerely,



Terry D. Burns

Geologist

cc: Mr. Edward W. Bonner, Utah Department of Natural Resources
Mr. Eric Jones, BLM in Moab, Utah
Mr. Dean Nyffler, BLM in Price, Utah
Mr. Robert A. Hendricks, BLM in Salt Lake City, Utah
Mr. J.R. French, Texaco
Mr. R.A. Lamarre, Texaco
Mr. Gee Lake, Jr., Dominion Reserves

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease Designation and Serial Number: ML-40521
B. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name:
2. Name of Operator: River Gas Corp.		7. Unit Agreement Name: Drunkards Wash UTU-67921X
3. Address and Telephone Number: 511 Energy Center Blvd., Northport, AL 35476		8. Farm or Lease Name: Utah
4. Location of Well (Footages) At Surface: 630' FSL & 1527' FEL At Proposed Producing Zone: 348' 1752'		9. Well Number: 30-125
14. Distance in miles and direction from nearest town or post office: 2.9 miles southwest of Price, UT		10. Field and Pool, or Wildcat: Drunkards Wash
15. Distance to nearest property or lease line (feet): 630	16. Number of acres in lease: 757.42	11. Qtr/Qtr, Section, Township, Range, Meridian: SW/SE, Sec. 30, T14S, R10E
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 2500'	19. Proposed Depth: 1789'	12. County: Carbon
21. Elevations (show whether OF, RT, GR, etc.): 5689' GR		13. State: UTAH
		20. Rotary or cable tools: Rotary
		22. Approximate date work will start: June 1996

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	300'	110 sx Class G, 15.8 ppg
7 8/8"	5 1/2"	17#	1759'	5050 Pozmix, tail RFC
SEE EXHIBIT "B"				

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

EXHIBITS ATTACHED:

EXHIBIT "A" Location Plat
EXHIBIT "B" Drilling Program
EXHIBIT "C" BOPE Diagram
EXHIBIT "D" Surface Use Plan
EXHIBIT "E" Proposed Location/Access
EXHIBIT "F" Typical Road X-section
EXHIBIT "G" n/a
EXHIBIT "H" Well Site Layout
EXHIBIT "I" Evidence of Bond

24. Name & Signature: Janet Watson Title: Agent for River Gas Corp. Date: 12/14/95

(This space for State use only)

API Number Assigned: 43-007-30304

Branch of Fluid Minerals
Moab District

ACCEPT for unit purposes: ecj rls/95
(1193)

(See Instructions on Reverse Side)

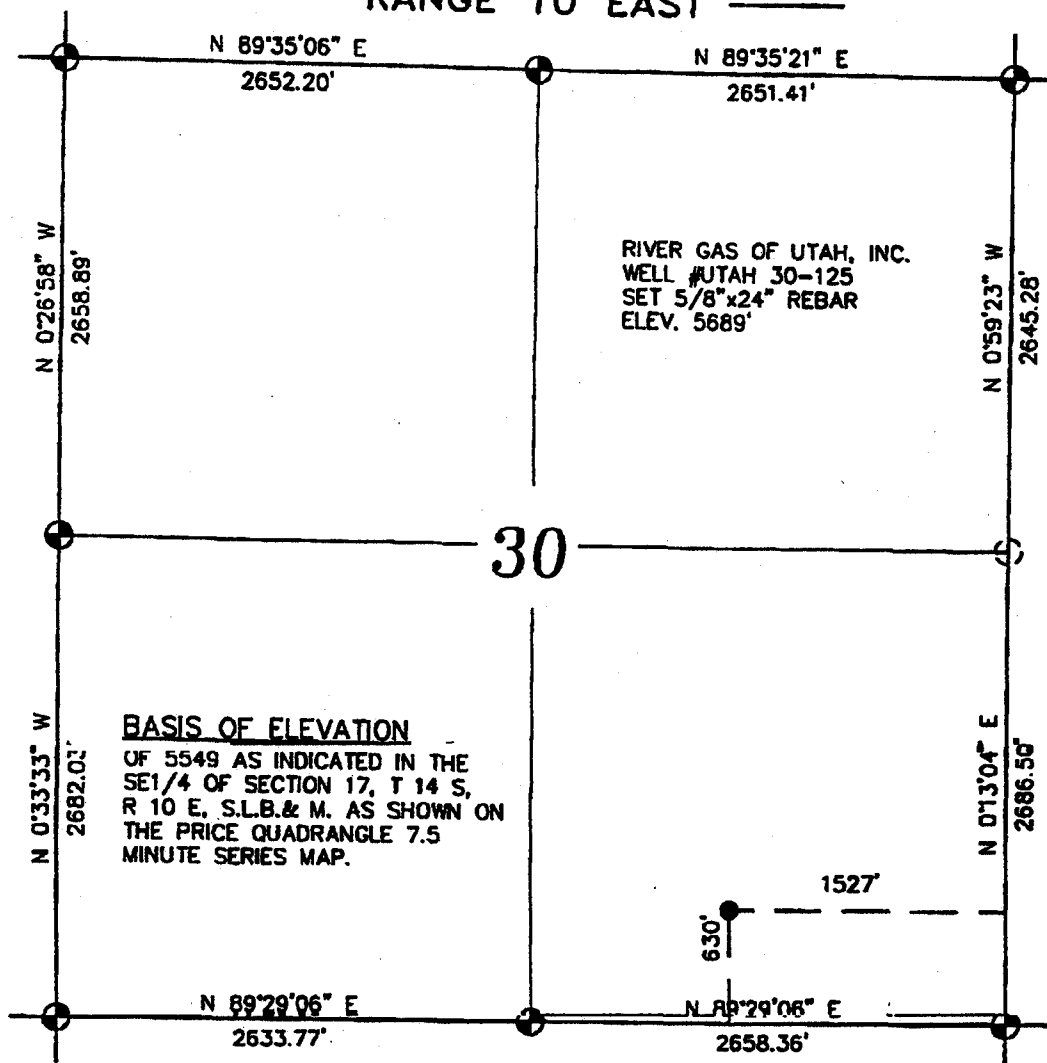
DEC 15 1995

Dgm

EXHIBIT "A"

TOWNSHIP 14 SOUTH

RANGE 10 EAST

**BASIS OF ELEVATION**

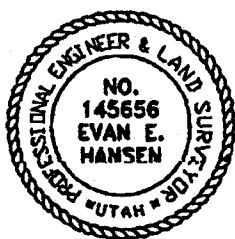
OF 5549 AS INDICATED IN THE
SE1/4 OF SECTION 17, T 14 S,
R 10 E, S.L.B. & M. AS SHOWN ON
THE PRICE QUADRANGLE 7.5
MINUTE SERIES MAP.

LEGEND

- ⊕ FOUND BRASS CAP
- SEARCHED FOR BUT NOT FOUND
- ◇ FOUND ROCK CORNER

BASIS OF BEARING

BASIS OF BEARING N 89°29'06" E MEASURED
BETWEEN THE S1/4 CORNER AND THE SE CORNER
OF SECTION 30, TOWNSHIP 14 SOUTH, RANGE 10
EAST, SALT LAKE BASE AND MERIDIAN.

**ENGINEER'S CERTIFICATE**

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A
REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER
HOLDING CERTIFICATE NUMBER 145656 AS PRESCRIBED
UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER
CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF
GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO
THE BEST OF MY KNOWLEDGE.

Evan E. Hansen
EVAN E. HANSEN

047 30, 1995
DATE

SE1/4 SEC. 30 T 14 S, R 10 E, S.L.B. & M

Empire Engineering

1666 E. Sagwood Rd. Price, Utah 84601

RIVER GAS CORP.
WELL #UTAH 30-125

Drawn By:
TLH

Approved By:
EEH

Drawing No.

EEOG-95125

Date:
10-25-95

Scale:
1"=1000'

Sheet:

1 of 2

EXHIBIT "B"DRILLING PROGRAM

Attached to Form 3
 River Gas Corp.
 #30-125 Utah
 SW/4 SE/4, Sec. 30, T14S, R10E
 630' FSL & 1527' FEL
 Carbon County, Utah

1. The Geologic Surface Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers.

Blue Gate/Ferron	1410'
Ferron/Tununk	1669'

3. Projected Gas & H2O zones (Ferron Formation)

Coal - 1419' to 1549'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable minerals deposits. All indications of usable water will be reported.

Surface casing will be tested to 1400 psi.

4. The Proposed Casing and Cementing Programs

<u>HOLE SIZE</u>	<u>SETTING DEPTH (INTERVAL)</u>	<u>SECTION LENGTH</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>NEW, USED</u>
11	300'	300'	8 5/8	24#	new
7 7/8	1759'	1759'	5 1/2	17#	new

Cement Program

Surface Casing: 110 sx Class G, 15.8 ppg cement

Production Casing: 50/50 Pozmix and tail in with RFC. The 50/50 Pozmix accounts for 75% total cement, RFC 25%.

Total sx cement 203.

Cement volumes will vary depending on formations encountered and hole conditions.

The following shall be entered in the driller's log:

- (1) Blowout preventer pressure tests, including test pressures and results;
- (2) Blowout preventer tests for proper functioning;
- (3) Blowout prevention drills conducted;
- (4) Casing run, including size, grade, weight, and depth set;
- (5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- (6) Waiting on cement time for each casing string;
- (7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 1400 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-300	11" hole	Drill with air, will mud-up if necessary
300-1789	7 7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf.

7. The Testing, Logging and Coring Programs to be Followed

0-300	Gamma Ray		
300-TD	Gamma Ray,	Density,	Neutron Porosity, Induction, Caliper

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 859 psi maximum.

No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled in June 1996.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

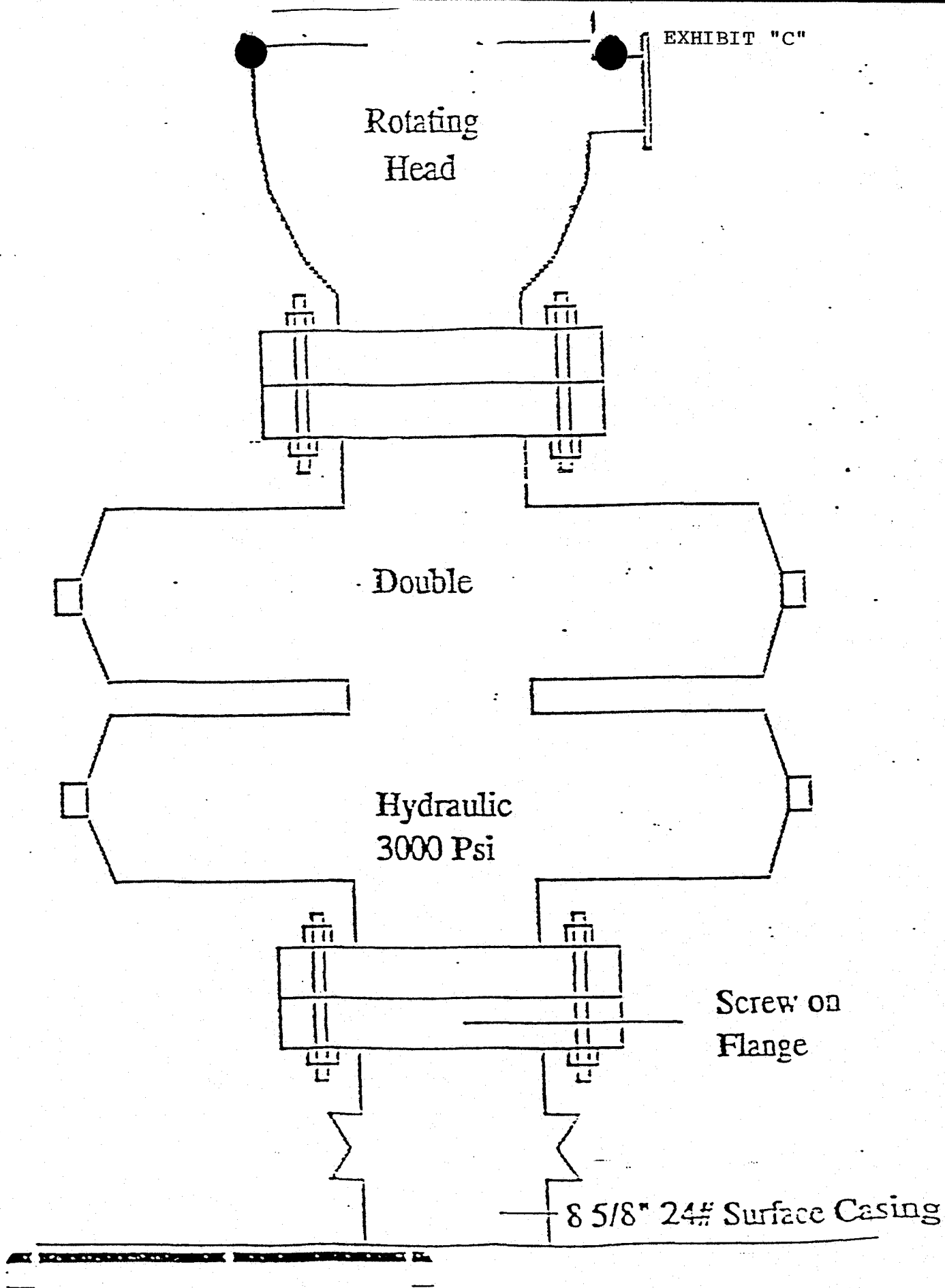


EXHIBIT "D"MULTIPOINT SURFACE USE PLAN

Attached to Form 3
River Gas Corp.
#30-125 Utah
SW/4 SE/4, Sec. 30, T14S, R10E
630' FSL & 1527' FEL
Carbon County, Utah

1. EXISTING ROADS

- A. See Exhibit "E". We do not plan to change, alter or improve upon any existing state or county roads. Existing roads will be maintained in same or better condition.
- B. From junction with US Hwy. 6, proceed south on Utah Hwy. 10 for 1.1 mile to 2000 South (paved road), turn right and proceed west on 2000 South for .5 mile to junction with 500 West, turn left and proceed south on 500 West for .3 mile to beginning of new access for #32-127. Travel 400' west to #32-127, continue west $\pm 3100'$ to #31-126, then turn northwest $\pm 2650'$ to proposed location.

2. PLANNED ACCESS

See Exhibit "E". $\pm 2650'$ of new access is required.

- A. Maximum Width: 14' travel surface with 27' base
- B. Maximum grade: 3%
- C. Turnouts: None
- D. Drainage design: One culvert will be required. Water will be diverted around well pad as necessary.
- E. Cuts and fills: None
- F. Surfacing materials: 4" sand and gravel if necessary.
- G. Gates, cattleguards, fence cuts: None

If well is productive, road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.

3. LOCATION OF EXISTING WELLS

- A. See Exhibit "E". There are 6 existing wells within one mile of the proposed location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. If the well is a producer, installation of production facilities will be as shown on EXHIBIT "H". Buried powerlines run along access on the east or north, gathering lines on the south or west, unless otherwise indicated on EXHIBIT "E".
- B. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Water to be used for drilling will be purchased from the Price River Water Improvement District (tel. 801-637-6350). This has been arranged by Mr. Michael J. Farrens, Vice President of River Gas Corp. - Utah Operations. He has been in contact with Mr. Phillip Palmer. Mr. Farrens has discussed this arrangement with Mark Page of the Division of Water Rights (tel. 801-637-1303) over the telephone. The Division of Water Rights is to furnish the Oil & Gas Division with a letter of approval concerning this matter.
- B. Water will be transported by truck over approved access roads.
- C. No water well is to be drilled for this location.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. Any construction materials needed will be obtained locally and hauled to the location on existing roads.
- B. No construction or surfacing materials will be taken from Federal/Indian land.

7. METHODS FOR HANDLING WASTE DISPOSAL

- A. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth

side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

- B. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade.

No liquid hydrocarbons will be discharged to the reserve pit or location.

- C. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- D. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. ANCILLARY FACILITIES

- A. We anticipate no need for ancillary facilities with the exception of three trailers to be located on the drill site.

9. WELLSITE LAYOUT

- A. Available topsoil will be removed from the location and stockpiled. If ground frost prevents the segregation and removal of the topsoil material from the less desirable subsoil material, cross-ripping to the depth of the topsoil material may be necessary. Location of mud tanks, reserve and burn pits, and soil stockpiles will be located as shown on the attachments.
- B. A blooie pit will be located 150' diagonally from the drill hole. A line will be placed on the surface from the center hole to the burn pit. Burn pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- C. Access to the well pad will be as shown on Exhibit "E".
- D. Natural runoff will be diverted around the well pad.

10. PLANS FOR RESTORATION OF SURFACE

- A. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- B. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- C. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.
- D. Any oil accumulation on the pit will be removed or overhead flagged as dictated by then existing conditions.
- E. Date of commencement will be June, 1996. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the wellsite is to be abandoned, all disturbed areas will be recontoured to the natural contour as is possible.

11. SURFACE OWNERSHIP

- A. The wellsite and access road will be constructed on lands owned by SITLA, #3 Triad Center, Ste. 400, Salt Lake City, UT 84180-1204. The operator shall contact the landowner and the Division of Oil, Gas & Mining 48 hours prior to beginning construction activities.

12. OTHER INFORMATION

The nearest dwelling is ±1000' north of the location. Nearest live water is Carbon Canal approximately 1200' northeast.

If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.

The backslope will be constructed no steeper than 4:1, the foreslope no steeper than 4:1.

All equipment and vehicles will be confined to the access road and well pad.

A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on

the wellsite during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. COMPANY REPRESENTATIVE

THROUGH A.P.D. APPROVAL

Janet Watson
Agent/Consultant for
River Gas Corp.
P. O. Box 440889
Aurora, Co. 80044
(303) 321-2217

MAIL APPROVED A.P.D. TO

Terry Burns
River Gas Corp.
511 Energy Cntr. Blvd.
Northport, AL 35476
(205) 759-3282

FIELD REPRESENTATIVE

Steve Prince
(801) 637-8876
M-(801) 636-5256

DIRT CONTRACTOR

NELCO
Larry Jensen
(801) 637-3495
M-(801) 636-5268

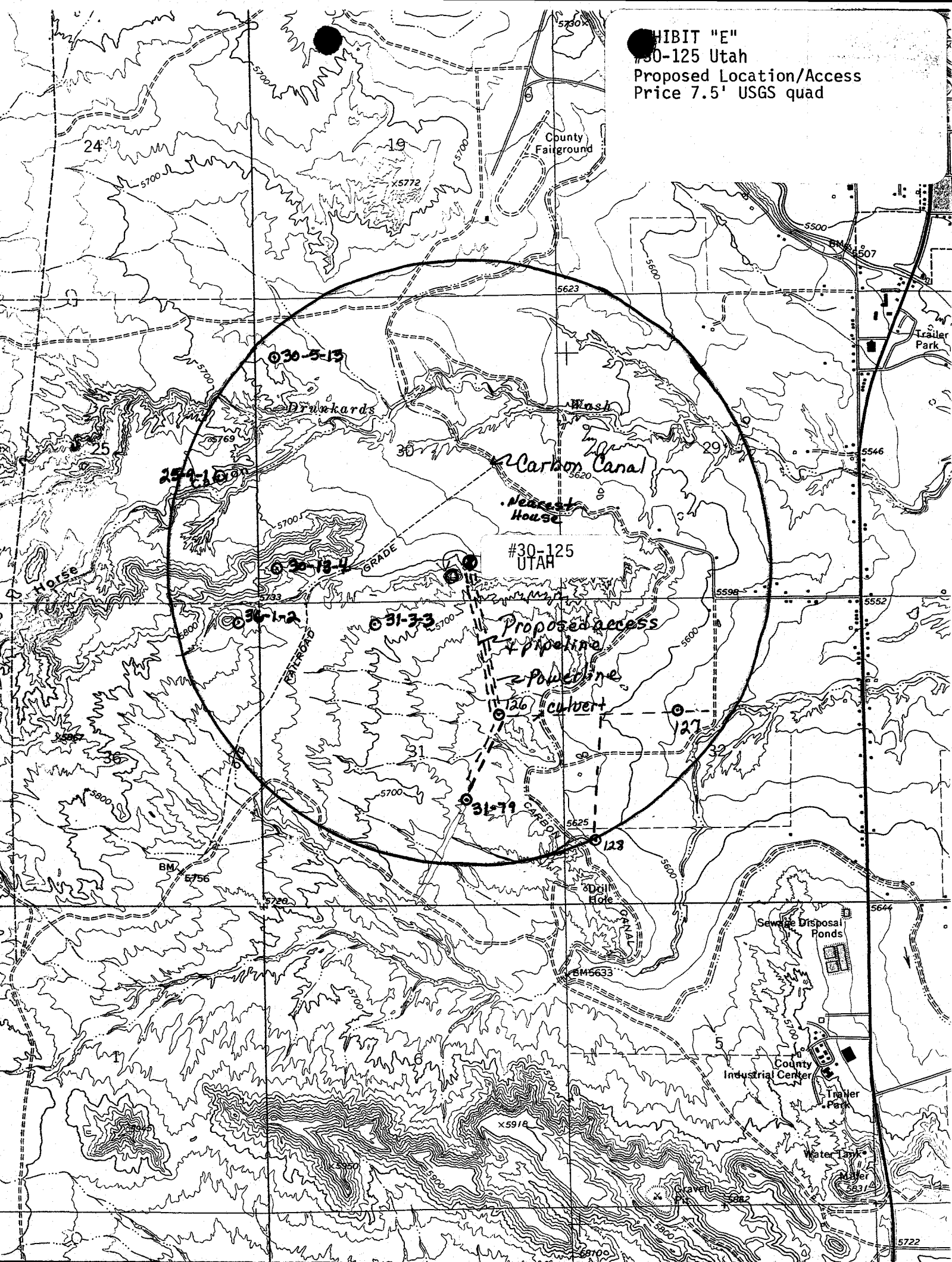
14. CERTIFICATION

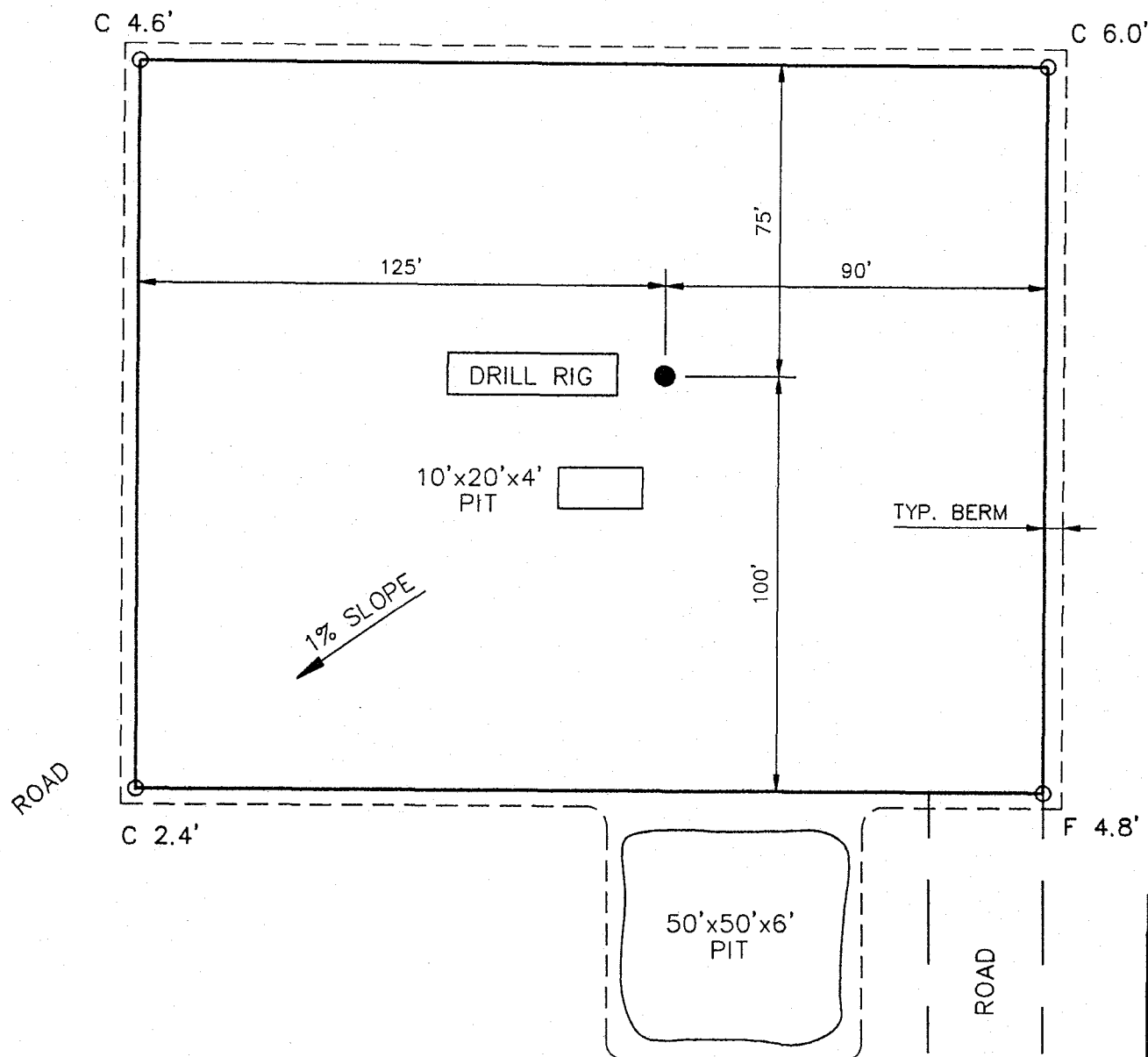
I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by River Gas Corp. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

12/11/95
Date

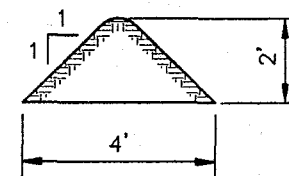
Janet Watson
Janet Watson
Agent for River Gas Corp.

HIBIT "E"
#30-125 Utah
Proposed Location/Access
Price 7.5' USGS quad





SCALE: 1" = 40'



TYP. BERM
SURROUNDING PAD

○ INDICATES 1"x2"x24" WOOD STAKE

SW1/4 SEC. 31, T 15 S, R 10 E, S.L.B. & M.

Empire Engineering

1665 E. Sagewood Rd. Price, Utah 84501

RIVER GAS CORPORATION
WELL # UTAH 30-125

Drawn By:
THK

Approved By:
EEH

Drawing No.

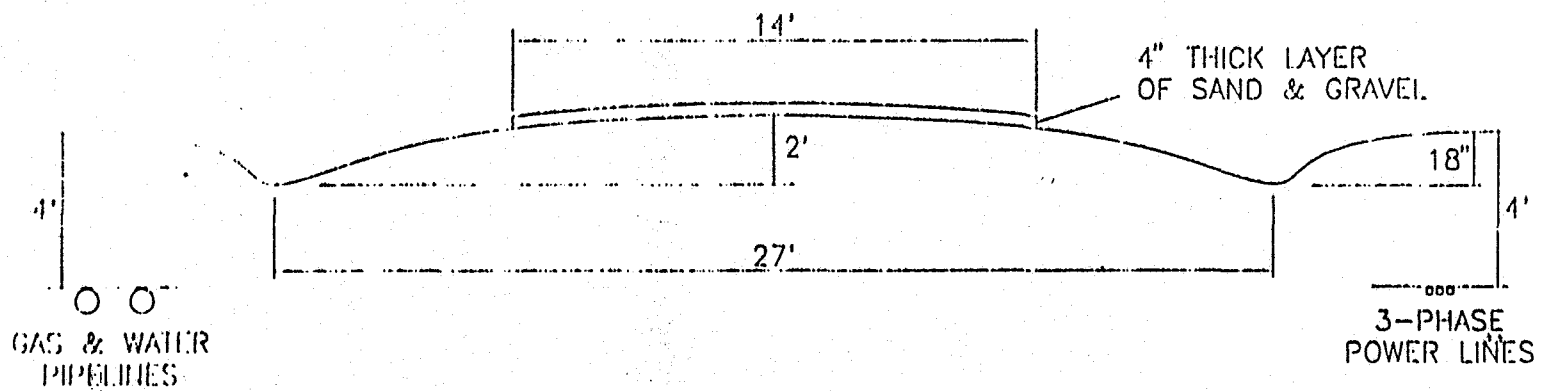
Date:
4-20-95

Scale:
1" = 40'

EEOG-96-30

Sheet: 2 of 2

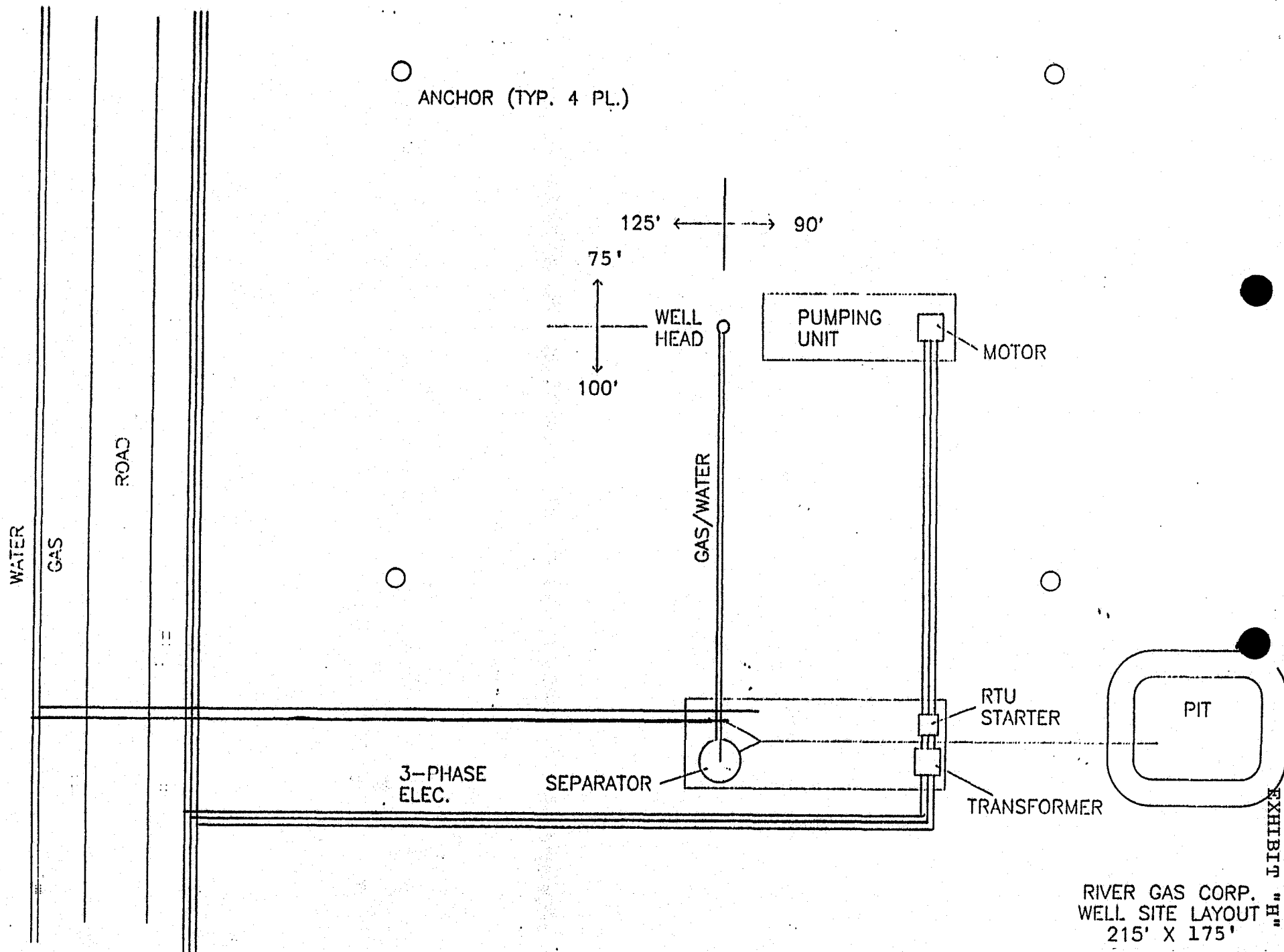
RIVER GAS CORPORATION



TYPICAL ROAD CROSS-SECTION

NOT TO SCALE

3/23/95



RIVER GAS CORP.
WELL SITE LAYOUT
215' X 175'

EXHIBIT "H"

AmSouth Bank

EXHIBIT "I"

Birmingham:

TELEX: 6827189

Cable: AMSOUBKBHM

S.W.I.F.T. AMSB US 44

Mobile:

TELEX: 6821116

Cable: AMSOMBL

S.W.I.F.T. AMSB US 44

AMSOUTH BANK OF ALABAMA
1900 FIFTH AVENUE NORTH
BIRMINGHAM, ALABAMA 35203 USA
OUR REFERENCE NUMBER: 5308586

International Services

AMENDMENT NUMBER: 002
TO LETTER OF CREDIT NUMBER: 5308586
DATE: NOVEMBER 13, 1995

BENEFICIARY:
STATE OF UTAH
DEPT. OF NATURAL RESOURCES
DIV. OF OIL, GAS AND MINING
355 WEST TEMPLE 3 TRIAD CENTER
SUITE 350
SALT LAKE CITY, UTAH 84180-1203

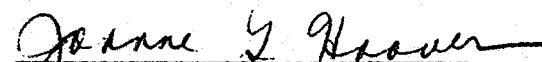
AT THE REQUEST OF RIVER GAS CORPORATION 3600 WATERMELON ROAD
SUITE 204 NORTHPORT, ALABAMA 35476 AND FOR THE ACCOUNT OF SAME

WE HEREBY AMEND OUR LETTER OF CREDIT NUMBER 5308586 DATED
DECEMBER 3, 1993 OPENED IN YOUR FAVOR AS FOLLOWS:

-ACCOUNT PARTY'S ADDRESS IS CHANGED
TO: 511 ENERGY CENTER BLVD
NORTHPORT, ALABAMA 35476

**REFERENCES HEREIN TO AMSOUTH BANK N.A. SHALL BE DEEMED TO REFER
TO AMSOUTH BANK OF ALABAMA.**

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.
THIS AMENDMENT BECOMES AN INTEGRAL PART OF THE ORIGINAL LETTER OF
CREDIT AND IS TO BE ATTACHED THERETO.


AUTHORIZED SIGNATURE

AmSouth Bank

EXHIBIT "I"

Birmingham:

AMSOUTH BANK OF ALABAMA
1900 FIFTH AVENUE NORTH
BIRMINGHAM, ALABAMA 35203 USA
OUR REFERENCE NUMBER: S304606

International Services

TELEX: 6827189
Cable: AMSOUBKBHM
S.W.I.F.T. AMSB US 44

Mobile:

TELEX: 6821116
Cable: AMSOMBL
S.W.I.F.T. AMSB US 44

AMENDMENT NUMBER: 005
TO LETTER OF CREDIT NUMBER: S304606
DATE: NOVEMBER 13, 1995

BENEFICIARY:

STATE OF UTAH, DEPARTMENT OF
NATURAL RESOURCES, DIVISION OF
STATE LANDS AND FORESTRY
#3 TRIAD CENTER SUITE 400
355 WEST TEMPLE
SALT LAKE CITY, UTAH 84180-1204

AT THE REQUEST OF RIVER GAS CORPORATION 511 ENERGY CENTER BLVD
NORTHPORT, ALABAMA 35476

WE HEREBY AMEND OUR LETTER OF CREDIT NUMBER S304606 DATED
DECEMBER 14, 1990 OPENED IN YOUR FAVOR AS FOLLOWS:

-ACCOUNT PARTY'S ADDRESS IS CHANGES TO:
511 ENERGY CENTER BLVD.
NORTHPORT, ALABAMA 35476

**REFERENCES HEREIN TO AMSOUTH BANK N.A. SHALL BE DEEMED TO REFER
TO AMSOUTH BANK OF ALABAMA.**

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS AMENDMENT BECOMES AN INTEGRAL PART OF THE ORIGINAL LETTER OF
CREDIT AND IS TO BE ATTACHED THERETO.


AUTHORIZED SIGNATURE

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/13/95

API NO. ASSIGNED: 43-007-30304

WELL NAME: UTAH 30-125
OPERATOR: RIVER GAS CORPORATION (N1605)

PROPOSED LOCATION:
SWSE 30 - T14S - R10E
SURFACE: 0348-FSL-1752-FEL
BOTTOM: 0348-FSL-1752-FEL
CARBON COUNTY
DURNKARADS WASH FIELD (048)

LEASE TYPE: STA
LEASE NUMBER: ML - 40521

PROPOSED PRODUCING FORMATION: FRSD

INSPECT LOCATION BY: 05/01/96

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface	OK	7/9/96

RECEIVED AND/OR REVIEWED:

___ Plat
___ Bond: Federal[] State[] Fee[]
 (Number _____)
___ Potash (Y/N)
___ Oil shale (Y/N)
___ Water permit
 (Number _____)
___ RDCC Review (Y/N)
 (Date: _____)

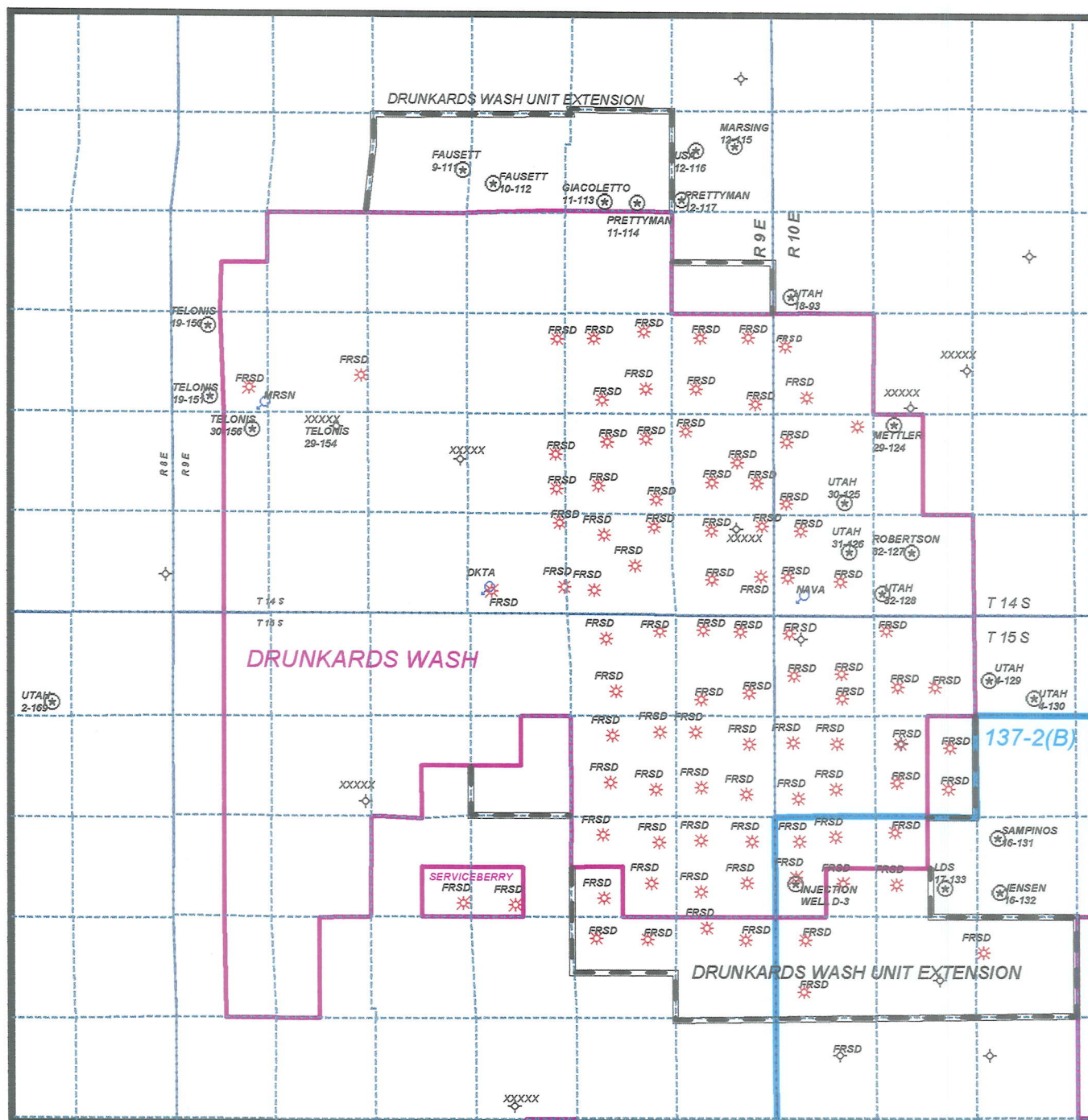
LOCATION AND SITING:

___ ✓ R649-2-3. Unit: _____
___ R649-3-2. General.
___ R649-3-3. Exception.
___ Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: _____

STIPULATIONS: _____

RIVER GAS CORPORATION DEVELOPMENT & EXTENSION DRILLING CARBON COUNTY UAC R649-2-3. R649-3-3, & R649-3-2



PREPARED:
DATE: 20-FEB-96

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. Lease Designation and Serial Number: ML-40521	
8. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name: N/A	
2. Name of Operator: River Gas Corporation			7. Unit Agreement Name: Drunkard's Wash UTU-67921X	
3. Address and Telephone Number: 1305 South 100 East, Price, Utah 84501, (801)637-8876			9. Farm or Lease Name: Utah	
4. Location of Well (Footages) At Surface: 348' FSL & 1752' FEL At Proposed Producing Zone: SAME			10. Field and Pool, or Wildcat: Drunkard's Wash	
14. Distance in miles and direction from nearest town or post office: Approximately 2.9 miles southwest of Price, UT			11. Ctr/Ctr, Section, Township, Range, Meridian: SW/SE, Section 30, T14S, R10E, SLB&M	
15. Distance to nearest property or lease line (feet): 630'		16. Number of acres in lease: 757.42 acres		17. Number of acres assigned to this well: 160 acres
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 2500'		19. Proposed Depth: 1789'		20. Rotary or cable tools: Rotary
21. Elevations (show whether DF, RT, GR, etc.): 5689' GR			22. Approximate date work will start: July 1996	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	24.0 ppf	300'	110 sx class G, 15.8 ppg
7-7/8"	5-1/2"	17.0 ppf	1759'	50/50 Pozmix, tail RFC
SEE EXHIBIT "B"				

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

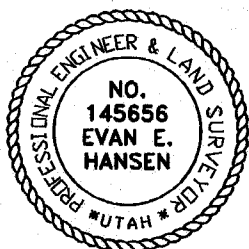
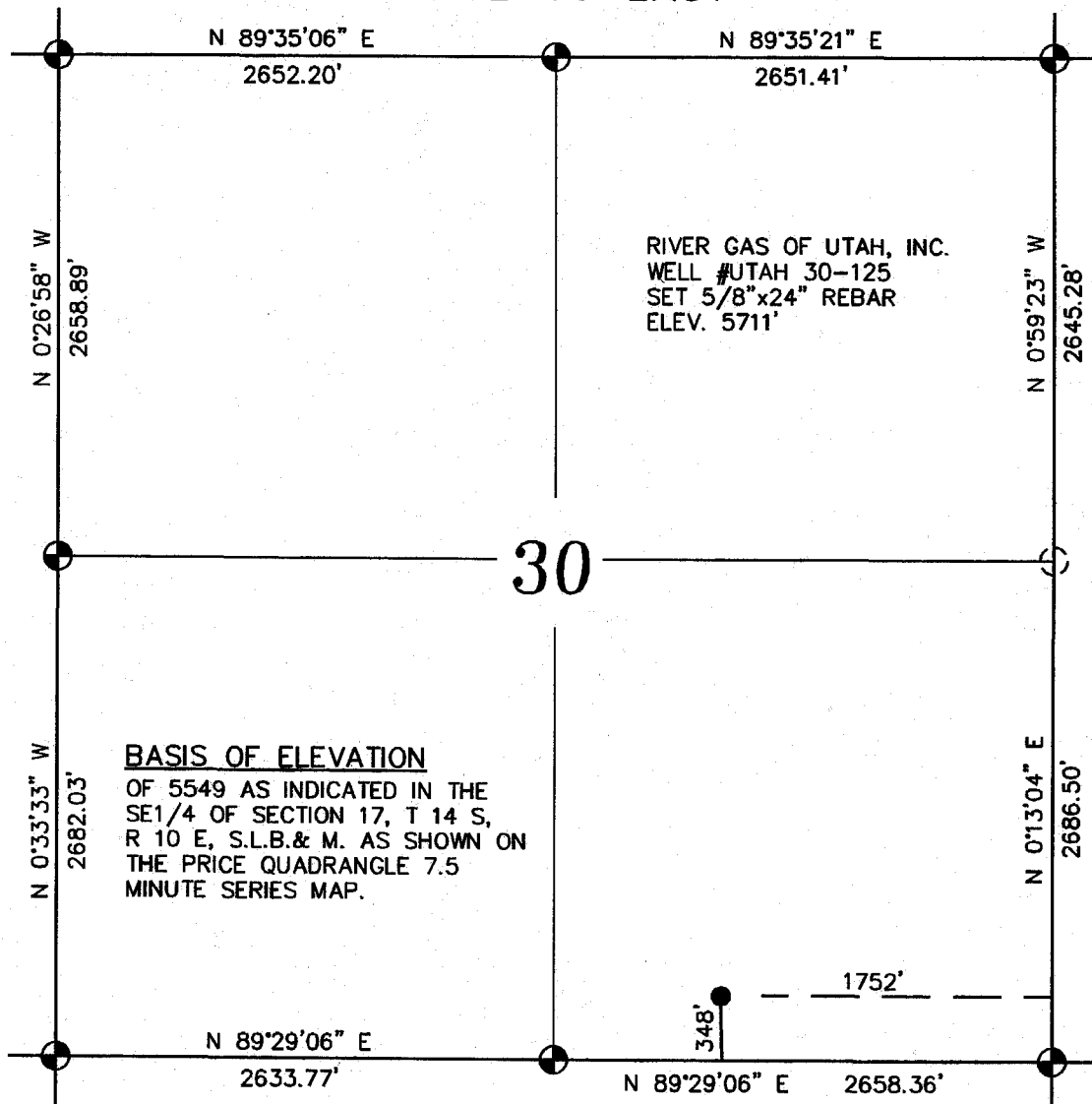
24. Name & Signature: Steven L. Prince *Steven L. Prince* Title: Regulatory Manager Date: June 20, 1996

(This space for State use only) *Matthew Petroleum Engineer* 7/15/96

API Number Assigned: 43-007-30304 Approval: _____

TOWNSHIP 14 SOUTH

RANGE 10 EAST



LEGEND

- FOUND BRASS CAP
- SEARCHED FOR BUT NOT FOUND
- ◇ FOUND ROCK CORNER

BASIS OF BEARING

BASIS OF BEARING N 89°29'06" E MEASURED
BETWEEN THE S1/4 CORNER AND THE SE CORNER
OF SECTION 30, TOWNSHIP 14 SOUTH, RANGE 10
EAST, SALT LAKE BASE AND MERIDIAN.

ENGINEER'S CERTIFICATE

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER HOLDING CERTIFICATE NUMBER 145656 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Evan E. Hansen APRIL 22 1996
EVAN E. HANSEN DATE

REVISED 4-22-96

SE1/4 SEC. 30 T 14 S, R 10 E, S.L.B. & M

Empire Engineering

1665 E. Sagewood Rd. Price, Utah 84501

**RIVER GAS CORP.
WELL #UTAH 30-125**

Drawn By:
TLH

Approved By:
EEH

Drawing No.
EEOG-95125

Date:
10-25-95

Scale:
1"=1000'

Sheet:
1 of 2

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

Operator Name: River Gas Corporation

Name & Number: State 30-125

API Number: 43-007-30304

Location: 1/4, 1/4 SW SE Sec. 30 T. 14S R. 10E

Geology/Ground Water:

There are no aquifers with high quality ground water expected to be encountered. The proposed casing and cement program will adequately isolate any zones of water penetrated.

Reviewer: D. Jarvis

Date: 7/9/96

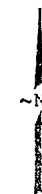
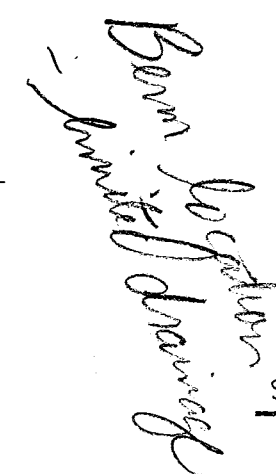
Surface:

The Mancos Shale soil is relatively impermeable, stable and not incised or undermined on, or immediately beside, the disturbed area. The nearest moving surface waters are the Carbon Canal (1900' away) and the Price River (1.25 miles away). Because of the topographic setting the drainage basin is limited so flash-flooding is unlikely to be a problem. Precipitation will be deflected around the location with berms and culverts. There are no nearby culinary of irrigation water supply wells. The site was photographed and characterized on 6/27/96. Provision was made to ensure site rehabilitation, litter and waste control, preservation of drainage patterns and the integrity of local infrastructure, groundwater and other resources. The well utilities and gas gathering system will follow the approach roadway.

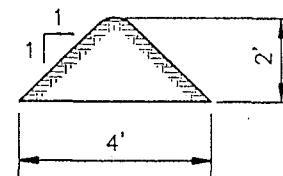
Reviewer: Christopher J. Kierst **Date:** 7/3/96

Conditions of Approval/Application for Permit to Drill:

- 1) Culverts outside pad berm and three in dry washes along approach road.
- 2) Berm location and pit.
- 3) Site infrastructure as per modified drilling location plat.
- 4) Native clay lined pit.
- 5) Compliance with local ordinances as well as DOGM requirements.



SCALE: 1" = 40'



TYP. BERM
SURROUNDING PAD

SW1/4 SEC. 31, T 15 S, R 10 E, S.L.B. & M.

Empire Engineering

1665 E. Sagewood Rd. Price, Utah 84501

RIVER GAS CORPORATION
WELL # UTAH 30-125

Drawn By:
THK

Approved By:
EEH

Drawing No.

Date: 4-20-95

Scale: 1" = 40'

EEOG-96-30

Sheet: 2 of 2

~~INDICATES 1"x2"x24" WOOD STAKE~~

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: River Gas Corporation

WELL NAME & NUMBER: State 30-125

API NUMBER: 43-007-30304

LEASE: ML-40521 FIELD/UNIT: Drunkad's Wash Unit

LOCATION: 1/4, 1/4 SW SE Sec: 30 TWP: 14S RNG: 10E 348 FSL 1752 FEL

LEGAL WELL SITING: F SEC. LINE; F 1/4, 1/4 LINE; F ANOTHER WELL.

GPS COORD (UTM) : 513,698; 4,380,102

SURFACE OWNER: SITLA

PARTICIPANTS

C. Kierst (DOGM), S. Prince (RGC), L. Jensen (Nelco) Surface owner representative was unable to attend on 6/27/96.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Western margin of Colorado Plateau; Mancos Shale lowlands east of Wasatch Plateau (11 miles east)/ Situated in low Mancos Shale erosional remnants.

SURFACE USE PLAN

CURRENT SURFACE USE: Rangeland and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 215' X 175' pad with 50' X 50' X 6' attached pit and approximately 1/2 mile long approach road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Six wells (30-5-13, 25-9-1, 30-13-4, 36-1-2, 31-3-3 and 31-79)

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Residential utilities are approximately 1000' away. Well utilities and gathering system will follow approach road. Production infrastructure will include four rig anchors, pumping unit, RTU starter, separator, and transformer.

SOURCE OF CONSTRUCTION MATERIAL: gravel location and approach road;
soil stored in berm.

ANCILLARY FACILITIES: none

WASTE MANAGEMENT PLAN:

Portable toilets; garbage cans on location will be emptied into
centralized dumpsters which will be emptied into an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None-location is 3/8 mile from
Carbon Canal.

FLORA/FAUNA: grass, sagebrush, cactus, juniper / bugs, birds, lizards,
coyotes, rodents

SOIL TYPE AND CHARACTERISTICS: light gray and bentonitic; low
permeability.

SURFACE FORMATION & CHARACTERISTICS: Mancos Shale, light gray,
bentonitic

EROSION/SEDIMENTATION/STABILITY: stable ground

PALEONTOLOGICAL POTENTIAL: poor on pad, minor occurrences outside
location.

RESERVE PIT

CHARACTERISTICS: natural soil, dugout and bermed to deflect runoff.

LINER REQUIREMENTS (Site Ranking Form attached): native clay

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA agreement.

SURFACE AGREEMENT: generic SITLA agreement.

CULTURAL RESOURCES/ARCHAEOLOGY: none-cleared previously.

OTHER OBSERVATIONS/COMMENTS

4-5 culverts on approach road. Subdivision is about 1000' north of
pad.

ATTACHMENTS:

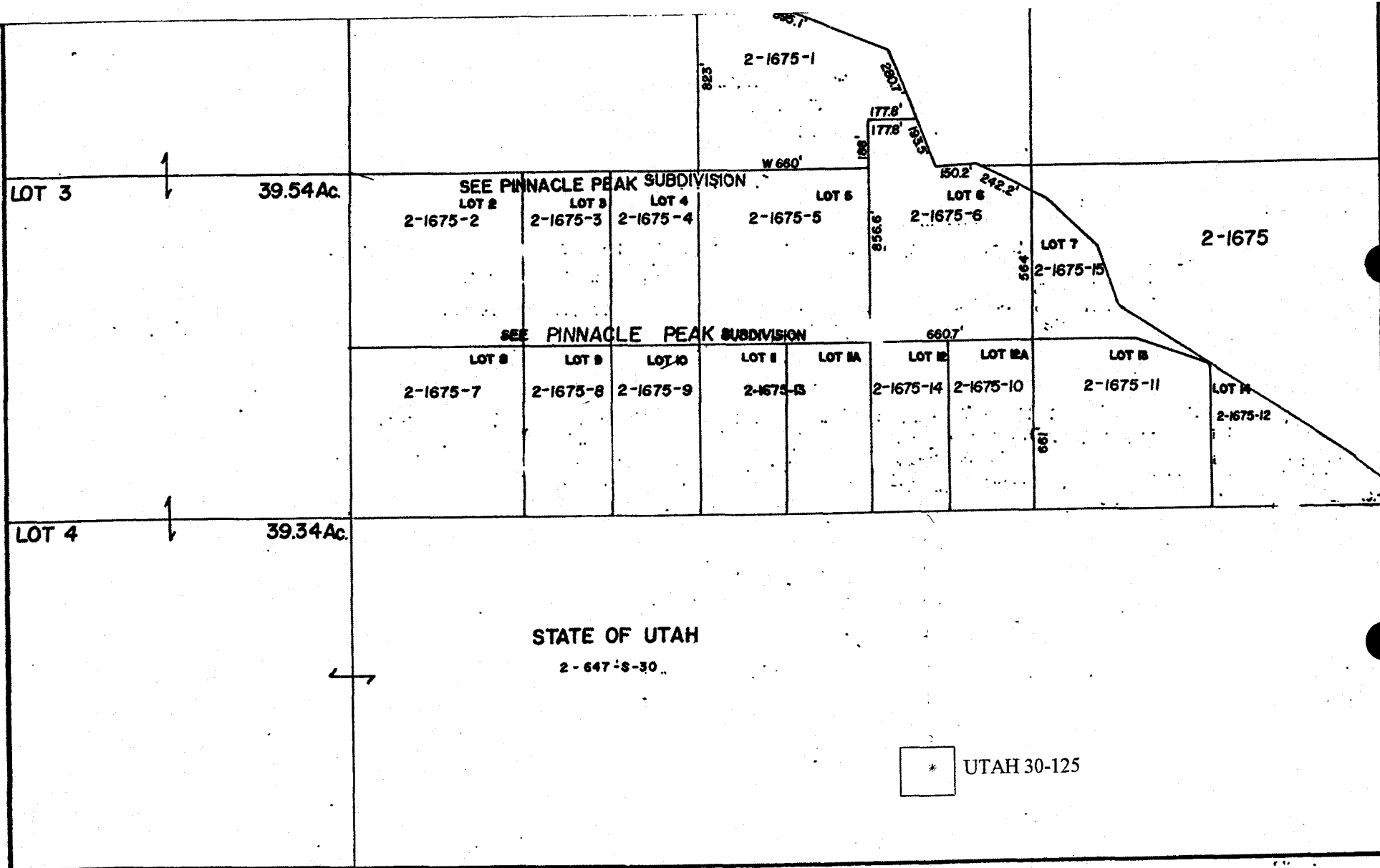
Photographs taken.

Chris Kierst
DOGM REPRESENTATIVE

7/9/96 8:00 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>6</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>



STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: RIVER GAS CORPORATION	Well Name: UTAH 30-125
Project ID: 43-007-30304	Location: SEC. 30 - T14S - R10E

Design Parameters:

Mud weight (8.33 ppg) : 0.433 psi/ft
 Shut in surface pressure : 1709 psi
 Internal gradient (burst) : 0.045 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)		Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost	
1	1,789	5.500	17.00	K-55	ST&C	1,789	4.767		
	Collapse Load Strgth S.F. (psi) (psi)			Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load Strgth S.F. (kips) (kips)		
1	774	4910	6.344	1789	5320	2.97	30.41	252	8.29 J

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 07-12-1996
 Remarks :

COALBED METHANE

Minimum segment length for the 1,789 foot well is 1,500 feet.

SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas

temperature of 87°F (Surface 74°F , BHT 99°F & temp. gradient 1.400°/100 ft.)

String type: Production - Frac

The frac gradient of 1.000 psi/ft results in an injection pressure of 1,789 psi.

The mud gradient and bottom hole pressures (for burst) are 0.433 psi/ft and 1,789 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

July 15, 1996

Steven Prince
River Gas Corporation
1305 South 100 East
Price, Utah 84501

Re: Utah 30-125 Well, 348' FSL, 1752' FEL, SW SE, Sec. 30,
T. 14 S., R. 10 E., Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30304.

Sincerely,

R. J. Firth
Associate Director

lwp

Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office



Operator: River Gas Corporation
Well Name & Number: Utah 30-125
API Number: 43-007-30304
Lease: ML-40521
Location: SW SE Sec. 30 T. 14 S. R. 10 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis dated July 9, 1996 (copy attached).



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 6, 1997

Mr. Steven L. Prince
River Gas Corporation
1305 South 100 East
Price, Utah 84501

Re: Utah 30-125 Well, Sec. 30, T. 14S, R. 10E, Carbon County, Utah,
API No. 43-007-30304

Dear Mr. Prince:

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Manager
Oil and Gas

cc: J.R. Baza
K.M. Hebertson
Well File